

Herlong Public Utility District

POLICY HANDBOOK – SEIRIES 2000

POLICY TITLE: Compensation

POLICY NUMBER: 2330

2330.1 This policy shall apply to all District employees.

2330.2 Compensation at Hiring

2330.2.1 New Employees: All newly appointed employees shall be paid at the first step of the salary range for the position to which the employee is appointed except as provided elsewhere herein.

2330.2.2 Advanced Step Hiring: If the General Manager finds that qualified applicants cannot be successfully recruited at the first step of the wage range, he/she may request the Board of Directors to authorize an appointment at an advanced step of the wage range.

2330.2.3 Former Employees: A person who previously held a full-time position from which the person was separated in good standing may, when re-employed in a position with the same or lower pay range then held at separation, be appointed at the same salary rate which was paid at the effective date of the person's termination, or the nearest lower applicable step for the range to which the person is appointed, provided such re-employment occurs within twelve (12) months from the date of said termination.

2330.3 Merit Advancement within Range

2330.3.1 Performance Evaluation Required: The General Manager shall authorize merit advancement within the salary range only after evaluating the employee's performance and determining that it is satisfactory. This determination shall be noted on a performance evaluation form to be placed in the employee's file, with a copy given to the employee.

2330.3.2 Period of Employment Required for Merit Advancement: Unless otherwise specified herein, each employee shall, in addition to receiving a satisfactory performance evaluation, complete the following required time of employment to be eligible to receive a merit increase:

2330.3.2.1 New Employees: A person hired as a new employee shall have a merit advancement date which is twelve (12) months following the appointment date or when annual reviews are done.

2330.3.2.3 Voluntary Demotion: An employee who voluntarily demotes to a position at a lower salary range shall have no change in merit advancement date.

2330.3.2.4 Change in Range Allocation: If the salary range for an employee's position is changed, the employee's merit advancement date shall not change.

Adopted May 16, 2012
Amended June 8th, 2021
Amended May 9, 2023
Amended June 24, 2025

2330.3.2.5 Position Reclassification: An employee whose position is reclassified to a position have the same or lower salary range shall have no change in merit advancement date. An employee whose position is reclassified to a position having a higher salary range shall have a new merit advancement date which is one year following the effective date of the position reclassification.

2330.3.2.6 Non-Merit Step Adjustment: An employee whose salary step is adjusted to a higher step for reasons other than regular merit advancement shall have a new merit advancement date effective one year from the date of said adjustment.

2330.3.3 Effective Date: An employee's merit increase shall take place on the first day of the pay period in which his/her merit advancement date falls. The General Manager may delay authorizing the merit advancement up to 90 days beyond the employee's merit advancement date without affecting the normal merit advancement date. In case of such a delay, the employee's merit advancement shall be effective the first day of the pay period following the General Manager's authorization. If authorization for merit advancement is delayed beyond 90 days from the employee's merit advancement date, the employee shall not be eligible for a merit increase until his/her next normal merit advancement date.

2330.4 Promotion: Employees promoted to a position with a higher salary range may be paid either at the minimum rate of the new range or at the nearest high rate that the employee would otherwise be entitled to on the date the promotion is effective, whichever is greater, provided that an employee promoted to a salary range in excess of one range above his/her former range shall receive no less than one range increase [or 3%, 5%, etc.], at the same step, in rate.

2330.5 Certification: Employees who attain a certification within their job class shall receive a step increase in upon receipt by the District of the certificate.

2330.5.1 Approval: Approval of any increases shall be determined by the review of the range of knowledge required to attain the certificate as determined by the General Manager.

2330.6 Incentive: Employees may be granted incentive pay based on the following criteria:

2330.6.1 Performance Evaluation: An employee will be considered for incentive pay if they complete goals agreed upon during the employee's annual performance evaluation.

2330.6.1.1 ALL Employees will receive incentive paid based on their evaluation scores as follows:

Score 1-2	Zero Incentive Pay
Score 2.1 - 3	\$250.00
Score 3.1 - 4	\$500.00
Score 4.1 – 4.5	\$750.00
Score 4.6 -5	\$1,000.00

.2330.7 Cost of Living Allowance (COLA)

Adopted May 16, 2012
Amended June 8th, 2021
Amended May 9, 2023
Amended June 24, 2025

2330.7.1 Effective Date: Annual Cost of living adjustment (COLA) to be made each January. COLA cannot be greater than the actual national rate of inflation.

2330.7.2 Source: The District has uses the All-Urban Consumer Price Index, US City (Annual) Average (CPI), 1967 Base Year to calculate yearly inflation figures as supplied by the US Department of Labor's Bureau of Labor Statistics, since 2012. The District will also consider HPUD annual budget and Federal Cola rate when authorizing COLA each year.

2330.7.2.1 Exception: In a year where there is negative CPI as reference in 2330.6.2 there will be a zero COLA.

2307.2.2 Approval: Approval for annual COLA increase pay will be considered and approved by the Board of Directors annually; when the future years budget is approved.

2330.8 Longevity Pay: Employees will be paid longevity pay to recognize and appreciate the total years of their service. Employees must meet the following criteria in order to be eligible for the Employee Service Award Compensation.

2330.8.1 Must be employed for at least one year

2330.8.2 All employees must have achieved a meets expectation of 3 or higher overall rating on their annual evaluation.

2330.8.3 The General Manager or the Board may have discretion to be flexible with criteria 1-3.

2330.8.4 All Compensation payments will be processed through payroll for tax purposes and will be available on the employee's annual anniversary date.

2330.8.5 Service Award Criteria:

1 year	\$ 100.00	
2 – 4 years	\$150-\$250.00	(\$50.00 a year increase)
5 years	\$300	
6-9 years	\$400-\$700	(\$100.00 a year increase)
10-19 years	\$1,000.00	(\$1,000 annually)
20-29 years	\$2,000.00	(\$2,000 annually)
30 years	\$3,000.00	